

Training Contractors on LBP Rule

HUD has received a number of inquiries from states about using their 1% Technical Assistance set-aside for training on the new Lead Paint rule requirements. Section 106(d)(5) of the HCDA allows states to use up to 1% of their annual CDBG allocation "to provide technical assistance to local governments and nonprofit program recipients." HUD Notice CPD-99-01 provides additional guidance concerning this provision. Using 1% TA set-aside funds to train staff of local governments or nonprofit entities on the requirements of the new LBP rule is clearly an eligible use of these funds.

Several states have asked if the 1% TA set-aside could be used to train housing rehabilitation contractors on various requirements of the new Lead Paint rule, such as safe work practices. HUD has no objection to states using 1% TA money to present training on LBP rule requirements to private, for-profit housing rehab contractors along with units of local government and nonprofit CDBG program participants. As some states have indicated, it is beneficial for both contractors and rehabilitation program administrators to understand these new requirements. Such training can include contractor firms likely to bid on housing rehabilitation projects as well as firms already under contract.

Given the statutory language, 1% TA set-aside funds cannot be used for training which is exclusively aimed at and presented to private, for-profit contractor firms. It may be possible to provide such training to businesses under the regular CDBG eligibility categories of microenterprise assistance or assistance to private for-profit businesses. (Of course, funding such technical assistance to businesses under these eligibility categories entails meeting one of the national objective criteria.)

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For more information, contact your HUD Field Office Representative*